

Region: Northern
National Forest: Kootenai
Ranger District:

U.S. DEPARTMENT OF AGRICULTURE – FOREST SERVICE
FOREST PRODUCTS CONTRACT and CASH RECEIPT
(Ref. FSM 2430, FSH 2409.18, and FSH 6509.17)

Page 1, FS-2400-4 (04/2012)
OMB No. 0596-0085

Purchaser's Name and Complete Address:		TSA Contract No.	Sale Name	Total Sale Acres
			Powerport ROW	1
		Award Date	Termination Date	Acres to be Cut
			10/31/2014	1
		Type of Sale: Premeasured	Sale Condition: Regular	
Purchaser's Tax Identification Number:		Load Ticket Numbers: From: Thru:		
Vehicle Information:		Sale Area Description: Portions of Sec 21,22,28 T33N R26W; PMM; Lincoln County; State of Montana		
Year:	License Plate:			
Make:	State:	Remarks:		
Color:	Model:	Saw: 8 CCF = 3.7MBF (conversion factor .46814)		
Performance Bond Amount: \$		Non-saw: 3 CCF = 1.5 MBF		
Original Contract: Yes	Modification No.:			

INCLUDED PRODUCTS							
Species	Product	Unit of Measure	Estimated Quantity	Rate per Products	UOM \$ Assoc. Charges	\$ Total Products	\$ Total Assoc. Charges
DF and Other	Sawtimber	CCF	8				
Combined Softwood	Non-saw	CCF	3				
Brush Disposal Charges							
Road Maintenance Charges					1.27		
Total Quantity					Total	\$	

UTILIZATION STANDARDS								
			Minimum Specifications					
			Tree		Piece Required to be Removed			
Species	Product	Unit of Measure	DBH (Inches)	No. of Min. Pieces per Tree	Length (Feet)	DIB at Small End (Inches)	Net Volume in % of Gross Volume	Maximum Stump Height
DF and Other	Sawtimber	CCF	7.0	1	8	5.6	10.67	
Combined Softwood	Non-saw	CCF	4.0	1	8	2.5	50	

REVISED INCLUDED PRODUCTS								
Species	Product	Unit of Measure	Estimated Quantity	+ or -	Rate per Products	UOM \$ Assoc. Charges	\$ Total Products	\$ Total Assoc. Charges
Revised Total Quantity						Revised Total	\$	\$

RECORD OF PAYMENTS								
Date	Payment Amount	Bill No.	Date	Payment Amount	Bill No.	Date	Payment Amount	Bill No.

RECORD OF REFUNDS								
Date	Refund Amount	Date	Refund Amount	Date	Refund Amount	Date	Refund Amount	

PRODUCT QUANTITY REMOVAL RECORD									
Date	Quantity Removed	Date	Quantity Removed	Date	Quantity Removed	Date	Quantity Removed	Date	Quantity Removed

SIGNATURES			

PURCHASER SIGNATURE	Date	CONTRACTING OFFICER SIGNATURE	Date
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GENERAL CONDITIONS

The Purchaser, by signing Page 1, binds the Purchaser and the Forest Service, acting through the Contracting Officer, to the contract terms.

1. The boundaries of the sale area, payment unit, and any cutting or harvesting areas are as shown on the attached sale area map, which is made a part of this contract. All sale area map detail indicating location is approximate; therefore, actual locations, as the Forest Service has designated on the ground, take precedence over the sale area map. The location of the sale area and its estimated acreage are shown on Page 1.

Valid claims are excluded from the sale area, unless the claimant authorizes, in writing, timber cutting or product harvesting on the claim, except for valid claims on which timber cutting or product harvesting is authorized under the Act of July 23, 1955 (30 USC 612, 613, and 614).

2. The Purchaser's failure to execute and return this contract in conformance with the terms, conditions, and requirements contained in the Contracting Officer's letter of award shall constitute repudiation of the Purchaser's bid and breach of this contract. The Purchaser agrees that the Purchaser's bid guarantee, if required in the advertisement, shall be retained by the Contracting Officer to be applied toward damages due the United States.

3. The Purchaser shall complete all requirements of this contract prior to the termination date. A time extension may be granted at the discretion of the Contracting Officer if the Purchaser has operated in a diligent manner.

4. The Forest Service has determined the estimated quantities of included products listed on Page 1 prior to award of this contract. The Contracting Officer or designee will determine any additional designated products prior to felling or harvesting during the term of the contract. The Forest Service makes no representation, warranty, or guarantee of the accuracy of the estimate.

5. This contract is non-transferable.

6. No Congress Member or Resident Commissioner shall benefit from this contract unless made with a corporation for its general benefit (18 USC 431,433).

7. The conditions of this contract are completely set forth, and none of its terms can be varied or modified, except by written agreement between the Purchaser and the Contracting Officer approving the contract, or the Contracting Officer's successor, or superior officer, and in accordance with the regulations of the Secretary of Agriculture.

8. No Purchaser, contractor, subcontractor, agent, or employee shall discriminate in performance of this contract against any person on account of race, color, religion, age, sex, or national origin.

9. The Forest Service agrees to sell and the Purchaser agrees to purchase, cut or harvest, and remove all included products described on Page 1. Designation(s) for cutting is (are) shown in Other Conditions. Title to all timber or forest products included in this contract shall remain with the United States until its estimated quantities have been determined by the Contracting Officer or designee and paid for and removed from the sale area by the Purchaser. The Purchaser shall not cut or harvest any timber or forest products until the Contracting Officer or designee has determined the estimated quantities and the timber or forest products has been paid for by the Purchaser.

The Purchaser shall cut or harvest and remove included products in strict accordance with the conditions on Page 1, the General Conditions, and with all conditions and requirements in the attached Other Conditions, which are hereby made a part of this contract, and with the regulations prescribed by the Secretary of Agriculture.

The Contracting Officer or designee may designate additional timber products, if included products is timber, not included in the original volume estimate for cutting within the sale area, as needed to utilize damaged trees, trees to be removed in authorized clearings, or trees unnecessarily damaged or cut by the Purchaser. The Purchaser shall pay for additional timber at rate per products and associated charges per unit of measure listed on Page 1, in addition to any payments for liquidated damages under General Condition 15 and/or in Other Conditions. The additional timber will become included products when designated by the Contracting Officer or designee.

The Contracting Officer or designee and the Purchaser may agree in writing to make minor adjustments in boundaries of cutting units or in the timber individually marked for cutting.

10. As a further guarantee of the faithful performance of the provisions of this contract, the Purchaser shall maintain a cash performance bond in the amount listed on Page 1.

11. The Purchaser shall pay to the USDA Forest Service by the time the contract is required to be executed and returned by the Purchaser, the total sale value for total products and total associated charges stated on Page 1, for product values which includes sale area betterment funds (Act of June 9, 1930, 16 USC 576b), slash disposal funds (Act of April 24, 1950, 16 USC 490), and road maintenance deposits, if any.

12. The Contracting Officer or designee may, in writing, suspend operations on the sale area, including removal of included products, if the Purchaser violates contract requirements, or the Contracting Officer may terminate this contract for the Purchaser's serious or continued violations of its terms.

The Purchaser agrees to interrupt or delay operations under this contract, in whole or in part, upon the written request of the Contracting Officer: (a) to prevent serious environmental degradation or resource damage that may require termination of the contract, (b) to comply with a court order, or (c) upon determination of the appropriate Regional Forester, that conditions existing on this contract area are the same as, or nearly the same as, conditions existing on contract(s) named in such an order as described in paragraph (b).

13. The Contracting Officer may terminate this contract, without liability to the Government, to prevent serious environmental degradation, to comply with a court order, or for the convenience of the Government.

14. All monies paid under the contract shall, upon the Purchaser's failure to fulfill the terms of the contract, be retained by the Contracting Officer to be applied toward completion of Purchaser's uncompleted work or damages due the United States.

15. The Purchaser shall pay for unnecessary damage to or negligent or willful cutting of merchantable timber, if timber is an included product, meeting utilization standards on Page 1 at an amount equivalent to the bid rate. In view of the difficulty in determining the actual damage to the United States, the amounts specified above shall be considered liquidated damages; provided, that, if such damage involves small amounts of material, and in the judgment of the Contracting Officer or designee, is justified by existing conditions, the payments may not be required. In addition to liquidated damages, if designated for removal by the Contracting Officer or designee under General Condition 9, the Purchaser shall make payments at the rate per products listed on Page 1 for timber meeting utilization standards and for associated charges for the total quantity of material involved.

GENERAL CONDITIONS (Continued)

The Contracting Officer or designee shall determine rates for products per unit of measure for standing timber or other forest products if they are not included products using standard Forest Service appraisal methods.

The right, title, and interest to any product for which payment of liquidated damages has been made or which has been regularly paid for, cut, but not removed, shall remain in or revert to the United States, if not removed from the sale area at the expiration or termination of this contract.

16. This contract is subject to The Contract Disputes Act of 1978 (Pub. L. 95-563). Purchaser claims under this contract shall be submitted in writing to the Contracting Officer not later than 60 days after receipt of the Contracting Officer's written notice to the Purchaser that the sale is closed.

17. The Purchaser shall obtain certifications from its lower tier participants regarding debarment, suspension, ineligibility, and voluntary exclusion (7 CFR 3017.510). The Purchaser shall provide a copy of such certifications to the Contracting Officer at the Contracting Officer's written request.

18. The Contracting Officer may designate in writing a Forest Service Representative to: (a) receive notices in regard to performance under this contract, (b) take action in relation to this contract, and (c) be readily available to the area of harvest operations.

The Contracting Officer or the Forest Service Representative may designate other Forest Service on-the-ground representatives. The Contracting Officer or Forest Service Representative shall name these persons in writing along with their specific contractual responsibilities and authority and the Contracting Officer shall provide a copy to the Purchaser. The Contracting Officer shall make these delegations within 30 days of award of the contract.

19. The Purchaser shall buck harvested trees, if trees are included products, to use the entire merchantable stem, cut stumps no higher than the maximum specified on Page 1 when measured on the uphill side, and use material to the minimum utilization standards listed on Page 1.

20. The Purchaser and Purchaser's employees shall take reasonable action to prevent and suppress forest fire. Further, the Purchaser, in all phases of logging or harvesting operations, shall protect insofar as practicable: all land survey corners, telephone lines, ditches, fences, and other improvements. If the Purchaser's operations damage such improvements under this contract, the Purchaser shall restore these improvements immediately to the condition existing immediately prior to operations. The Purchaser shall handle slash and other refuse as listed in Other Conditions. The Purchaser shall pay for road maintenance commensurate with the Purchaser's use. The Purchaser shall promptly restore roads or trails damaged through such use. Specific road maintenance requirements are listed in Other Conditions and costs are included in associated charges listed on Page 1. The Purchaser's use of existing roads may be restricted, as indicated on the sale area map and in the Other Conditions. The Purchaser shall comply with the rules and regulations governing operation on premises that are occupied, and the Purchaser shall perform the contract in a manner that will not interrupt or interfere with the conduct of Forest Service business.

OTHER CONDITIONS

1# - PRODUCT DESIGNATION (07/1998)

The Forest Service has designated timber or forest products for cutting or harvesting prior to award of this contract. The designated timber or forest product is confined to the Sale Area and Harvest Unit and has been designated in the following manner:

INDIVIDUAL TREES (CUT TREE MARKING) (1/09). In Cutting Units 1, individual trees to be cut have been Marked with a horizontal stripe of Yellow paint at or above eye level, and a stump mark consisting of a horizontal stripe of Yellow paint on the downhill side of the tree at ground level.

The boundaries of units where individual trees are Marked, are marked on three (3) sides of the cutting unit boundary trees with vertical stripes of Orange paint extending from diameter breast height (DBH) upwards approximately three (3) feet. The middle stripe of paint faces the cutting unit and the other two face on line with the cutting unit boundary. In addition, each boundary tree has a horizontal stump mark painted on the downhill side of the tree at ground level. Trees used for boundary designation are not to be cut.

3 - LOAD TICKETS (07/1998)

The Purchaser shall complete and return assigned load tickets according to the Contracting Officer or designee's written instructions. Used load tickets shall be returned to the Contracting Officer or designee at termination date.

4 - PRODUCT IDENTIFICATION (11/1999)

Before removal from the Sale Area, unless the Contracting Officer determines that circumstances warrant a written waiver or adjustment, (a) all products 8 feet or more in length and one-third or more sound shall be hammer branded on each end that is 7 inches or more in diameter and (b) all domestic processing products 8 feet or more in length and one-third or more sound shall be painted with a spot of highway-yellow paint on each end that is 7 inches or more in diameter. Each paint spot must be not less than 3 square inches in size.

The Contracting Officer shall assign brands and brands shall be registered with the State, if the Sale Area is within a State that maintains a log brand register. The Purchaser will furnish and apply highway-yellow paint of a lasting quality (oil-base or equivalent).

All hammer brands and/or highway-yellow paint must remain on logs until they are domestically processed. If the identifying marks are lost, removed, or become unreadable, they shall be replaced. The Purchaser may remanufacture products into different log lengths. Except for logs remanufactured as part of the mill in-feed process immediately before processing, remanufactured products must be re-branded with the assigned sale brand and repainted with highway-yellow paint, unless otherwise agreed to in writing by the Contracting Officer. For such remanufactured products, the Contracting Officer may approve use of a brand to be used exclusively as a catch brand, in lieu of the assigned sale brand.

5 - USE OF TIMBER (07/1998)

This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990 (Act) (16 USC 620, *et seq.*). Except for species determined to be surplus, unprocessed logs originating from federal lands west of the 100th meridian, shall not be exported from the United States nor used in direct or indirect substitution for unprocessed logs exported from private lands by the Purchaser or any person as defined in the Act (16 USC 620e). Prior to delivering such unprocessed federal logs to another party, the Purchaser shall require each buyer, exchange, or recipient to execute an acceptable agreement, which shall: (a) identify the federal origin of the logs, (b) specify domestic processing for the logs involved, (c) require the execution of such agreements between the parties to any subsequent transactions involving said logs, (d) require that all hammer brands and/or yellow

paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable, and (e) otherwise comply with the requirements of the Act (16 USC 620d).

6 - EROSION CONTROL (07/1998)

The Purchaser shall: (1) not operate equipment when soil conditions are such that excessive damage will result as determined by the Contracting Officer or designee; (2) construct erosion control structures as needed to control erosion as determined by the Contracting Officer or designee; (3) repair promptly any existing erosion control structures damaged by the Purchaser's operations; (4) complete seasonal erosion control work prior to suspending operations; and (5) perform other soil erosion control work that may be required under this contract.

Include following if seed and fertilizer is required. Otherwise delete.

Seed and fertilizer shall be spread evenly at the rates in the following table.

Species	Pounds per Acre	Type of Fertilizer	Pounds per Acre
Annual Rye or Winter Wheat	18	25-10-10 or 27-12-12 or 34-16-10	240
Hard Fescue	6		
Orchard Grass	6		
Total	30		

When fertilizer and seed are applied in separate operations, the second operation shall be carried out within the 72 hours of the first. Application period is May 15 to September 30, unless otherwise approved.

8 - TEMPORARY FACILITIES (07/1998)

The Contracting Officer or designee shall approve the location and clearing limits for all landings, and skid trails prior to their construction. The cleared or excavated size of such construction shall not exceed that needed for the Purchaser's safe and efficient operations. After landings have served the Purchaser's purpose, the Purchaser shall ditch or slope them to permit water to drain or spread. Unless the Contracting Officer or designee agrees otherwise, the Purchaser shall slope cut and fill banks around landings to remove overhangs and otherwise minimize erosion. After a skid trail has served the Purchaser's purpose, the Purchaser shall effectively block the skid trail to normal vehicular traffic where feasible under existing terrain conditions and build cross ditches and water bars as staked or otherwise marked on the ground by the Contracting Officer or designee.

10# - USE OF ROADS BY PURCHASER (06/1999)

The Purchaser's use of existing roads identified on the Sale Area map by the following codes is prohibited or subject to restrictive limitations, unless the Contracting Officer or designee agrees in writing otherwise:

Code	Use Limitations
X	Hauling prohibited
R	Hauling restricted
P	Use prohibited
A	Public use restriction
W	Regulation waiver

Roads coded A will be signed by the Contracting Officer or designee to inform the public of use restrictions. Purchaser's use of roads coded R, A, or W shall be in accordance with the following restrictions:

Restricted Road List

Road Number	Road Name	Termini		Map Legend	Description of Restrictions
		From	To		
36	Fortine Creek	Entire Road		R	Hauling restricted-All vehicles shall comply with statutory load limits unless a permit from Forest Service and any necessary state permits are obtained prior to overload vehicle use.

12 - PROTECTION OF IMPROVEMENTS NOT OWNED BY FOREST SERVICE (07/1998)

The Purchaser shall notify all utility companies, or other parties affected, and make arrangements for all necessary adjustments of the public utility fixtures, pipelines, and other appurtenances affected by the Purchaser's operations. When the Purchaser's operations are adjacent to properties of railway, telegraph, telephone, power companies or other property, the Purchaser shall not begin work until the Purchaser has made all necessary arrangements to prevent damage.

15# - WASHING EQUIPMENT

In order to prevent the spread of noxious weeds into the Sale Area, Purchaser shall be required to clean all "Off-Road Equipment" prior to entry on to the Sale Area. This cleaning shall remove all soil, plant parts, seeds, vegetative matter, or other debris that could contain or hold seeds. Only logging and construction equipment so cleaned and inspected by the Forest Service will be allowed to operate within the Sale Area. All subsequent move-ins of equipment to the Sale Area shall be treated in the same manner as the initial move in. For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles.

Purchaser shall employ whatever cleaning methods are necessary to ensure that Off-Road Equipment is free of noxious weeds. Equipment shall be considered free of soil, seed, and other such debris when a visual inspection does not disclose such material. Disassembly of equipment components or specialized inspection tools is not required.

In order to prevent the spread of noxious weed species N/A the Sale Area, Purchaser shall be required to clean all off-road logging and construction equipment that operates in XXXXX prior to the equipment leaving XXXXX. Purchaser and Forest Service shall agree on methods of cleaning, locations for the cleaning, and control of off-site impacts, if any.

Unless otherwise agreed, Purchaser shall give the Forest Service at least 24 hours notice when equipment is ready for inspection. Notification will include an agreed upon location where the equipment will be available for inspection by the forest service.

New infestations of noxious weeds, of concern to Forest Service and identified by either Purchaser or Forest Service, on the Sale Area or on the haul route, shall be promptly reported to the other party. Purchaser and Forest Service shall agree on treatment methods to reduce or stop the spread of noxious weeds when new infestations are found. A current list of noxious weeds of concern to Forest Service is available at each Forest Service office.

17# – CONDUCT OF LOGGING

Sale Area
The location of tractor skid roads shall be by agreement. Generally existing skid trails will be reused. Tractor skidding shall be done over the natural terrain without excavation except where location of excavated skid roads is approved by Forest Service in advance of construction. Skid roads and trails will be limited to 12 feet or less in width. Tractor skid roads shall be no less than 75-100 feet apart except where converging.
Prior to completing the unit, Purchaser shall drain skid roads by out sloping and/or crossditching and skid trails by crossditching and/or backblading as designated on the ground by Forest Service.
Rub trees and/or logs shall be left along tractor skid roads as needed to protect young growth and leave trees.
Equipment use will be by approval of Forest Service and must be equipped with industry standards safety features. Purchaser will comply with Montana State Forest Fire Regulations and operations will adhere to industry safety standards.
"Logging Operation" and "Log Truck Hauling" signs will be placed as directed by the Forest Service prior to operation beginning.

18# – CLOSURE TO USE BY OTHERS

Unless otherwise agreed to, Purchaser shall close gates on roads 7827, designated "To Be Closed" on the Sale Area Map. Purchaser will close gates at the completion of daily activities.

19# – PURCHASER SLASH DISPOSAL

Lopping
Unit 1

Prior to skidding operations, Purchaser shall cut all exposed limbs from Included Timber. Such limbing shall be done to a top diameter of approximately 2.5 inches diameter inside bark, at which point the top will be cut from the remainder of the stem. Limbs shall be severed from the remaining top and all limbs cut from the top and boles will not extend over 18 inches in height above the ground.

Landing Cleanup
Unit 1

A landing is considered a place where any logs or products are gathered for loading. Unless otherwise agreed, all slash accumulated at landings shall be piled.

Piles shall be reasonably compact and free of soil to facilitate burning. Piles will not be less than 10 feet in height. Piles shall be of a size and location which will not impair road use or result in damage to residual timber. Piles shall be located at least 15 feet from residual timber. Piles shall not be more than 15 feet long.